

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6978**

**BILL NUMBER:** HB 1312

**NOTE PREPARED:** Jan 8, 2008

**BILL AMENDED:**

**SUBJECT:** County Drain Maintenance Funding.

**FIRST AUTHOR:** Rep. Bell

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill provides that in preparing the schedule of assessments, a drainage board may base the amount annually assessed against each tract of land for maintenance on the total estimated cost of reconstructing the drain divided equally over the estimated remaining useful life of the drain, if the useful life of the drain is at least 20 years.

If a drainage maintenance fund has a balance in excess of the amount reasonably needed for maintenance work, the drainage board may use the balance to reduce the annual maintenance assessments for the drain.

A person liable for the payment of a drainage assessment may elect to pay the assessment in equal installments over a period of not more than 20 years (rather than 5 years).

**Effective Date:** July 1, 2008.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Administrative expenses associated with calculating assessments could increase. It is assumed that the county will be able to implement these provisions given their existing level of resources.

When the maintenance fund has a balance in excess of the amount reasonably needed for maintenance work in the foreseeable future, the board may use the balance to reduce the annual assessments for periodic

maintenance of the drain. Currently, the board may transfer up to 75% of the money in the maintenance fund to a reconstruction fund that covers the same watershed as the maintenance fund from which the money is transferred. This provision will likely reduce revenue available for the reconstruction fund. The impact will vary by county.

**Explanation of Local Revenues:** Owners liable for the payment may elect to pay in equal installments over a period of not more than 20 years. Under existing law, owners have 5 years. This provision will reduce revenue in the drainage fund because payments into the fund will likely be reduced. The impact will vary by county.

**State Agencies Affected:**

**Local Agencies Affected:** County drainage boards.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.